

Remarks/Arguments

Reconsideration is respectfully requested. Claims 15-44 are pending. Claims 15-44 are rejected.

For the reasons set forth below, Applicants respectfully submit that all pending claims are allowable.

I. Claim Rejections under 35 U.S.C. §101

Claims 41-44 are rejected under 35 USC 101 as being directed to non-statutory subject matter. See Office Action page 2.

Without conceding to the propriety of the Examiner's rejection, claim 41 is amended as shown solely for the purpose of advancing the prosecution of the present application. To this end, Applicants reserve the right to pursue claims of the same or similar scope in one or more continuing applications.

In view of the above, Applicants respectfully submit that the pending claims meet the requirements under 35 USC Section 101, and request the Examiner to withdraw the rejections based on the same.

II. Claim Rejections under 35 U.S.C. §112

Claims 15-44 are rejected under 35 USC 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. See Office Action page 3.

Without conceding to the propriety of the Examiner's rejection, claims 15 and 41 are amended as shown solely for the purpose of advancing the prosecution of the present application. To this end, Applicants reserve the right to pursue claims of the same or similar scope in one or more continuing applications.

In view of the above, Applicants respectfully submit that the pending claims meet the requirements under 35 USC Section 112, second paragraph, and request the Examiner to withdraw the rejections based on the same.

III. Obviousness Rejections

Claims 15-44 are rejected under 35 USC 103(a) as being unpatentable over article "Cat Modeling, Forecasting Tools More Sophisticated" (Ha) in view of US Patent No. 7,107,285 (Von Kaenel) in view of US Publication No. 2002/0188556 (Colica). See Office Action page 4.

For the reasons set forth below, Applicants traverse the Examiner's rejections and submit that the pending claims are allowable.

In maintaining the rejections, the Examiner concedes that Von Kaenel does not teach using a financial perspective and wherein the financial perspective includes apportionment of liability of a total loss associated with the potential exposure location including a plurality of segments. Nonetheless, the Examiner asserts that this is well known in the art, and in referring to various portions of Ha and Colica references, that "since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable." See Office Action, pp.5-6.

Applicants disagree.

It is well settled that the Examiner "bears the initial burden of presenting a prima facie case of unpatentability..." In re Sullivan, 498 F.3d 1345 (Fed. Cir. 2007). Until the Examiner has established a prima facie case of obviousness, the Applicant need not present arguments or evidence of non-obviousness. To establish a prima facie case of obviousness, the Examiner must establish, among others, that the prior art teach or suggest all of the claim limitations. To this end, "[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art." In re Wilson, 424 F.2d 1382, 165 U.S.P.Q. 494, 496 (CCPA 1970); see also MPEP. §2143.03.

Furthermore, the Examiner must articulate some reason to modify or combine the cited references that renders the claim obvious. Merely establishing that the claimed

elements can be found in the prior art is not sufficient to establish a prima facie case of obviousness:

As is clear from cases such as *Adams*, a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1741 (2007).

Instead, the Court has made clear that the Examiner must establish that one skilled in the art would have combined the elements of the prior art, and that such reason must be more than a conclusory statement that it would have been obvious.

Often, it will be necessary for a court to look to interrelated teachings of multiple patents; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue. To facilitate review, this analysis should be made explicit. See *In re Kahn*, 441 F.3d 977, 988 (C.A.Fed.2006) ("[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness"). *KSR Int'l Co.*, 127 S. Ct. at 1740-1741 (emphasis added).

Obviousness can be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so. See *In re Kahn*, 441 F.3d 977, 986, 78 USPQ2d 1329, 1335 (Fed. Cir. 2006) (discussing rationale underlying the motivation-suggestion-teaching test as a guard against using hindsight in an obviousness analysis). See also *Sensonics, Inc. v. Aerosonic Corp.*, 81 F.3d 1566, 1570 (Fed. Cir. 1996) (holding that [t]o draw on hindsight knowledge of the patented invention, when the prior art does not contain or suggest that knowledge, is to use the invention as a template for its own reconstruction -an illogical and inappropriate process by which to determine patentability").

Claim 15 of the present application is directed to a combination including one or more processors; and a memory in signal communication with the one or more

processors, the memory storing instructions which, when executed by the one or more processors, causes the one or more processors to define a plurality of parameters; determine a concentration of exposure using a financial perspective to determine financial exposure for a potential exposure location based at least in part on the defined one or more of the plurality of parameters, the defined plurality of parameters including one or more of a financial obligation amount associated with the potential exposure location or an amount of assumed risk level associated with the potential exposure location; and generate an output associated with the determined concentration of exposure; wherein the financial perspective includes apportionment of liability of a total loss associated with the potential exposure location into a plurality of segments.

Claim 41 is directed to a combination including retrieving using a microprocessor a plurality of attributes associated with a potential exposure location from a database; determining using a microprocessor one or more parameters associated with each attribute, each of the one or more parameters including one or more of a liability level or a coverage level for a loss to the potential exposure location, the liability level including one or more of a financial obligation amount associated with the potential exposure location or an amount of assumed risk level associated with the potential exposure location; and determining using a microprocessor a concentration of exposure for the potential exposure location based on the determined one or more parameters; outputting an indication of the determined concentration of exposure; associating the indication of the determined concentration of exposure to the potential exposure location; and storing the indication of the determined concentration of exposure in the database; wherein the determined concentration of exposure indication includes a plurality of varying levels of liability within the potential exposure location.

Turning to the substance of the Examiner's rejection, it is unclear from the Office Action which aspect of the cited references teach each limitation set forth in the pending claims of the present application. For example, in maintaining the rejection of claim 15, the Examiner concedes that Von Kaenel does not teach this aspect of the claimed

combination. However, the Examiner summarily asserts that this is well known based on Colica (parag. 6) and Ha (pages 405), with a conclusory statement that the claimed combination is merely a combination of old elements, and that in the combination each element merely would have performed the same function as it did separately, and that one skilled in the art would recognize that the results of the combination were predictable. Such conclusion is not supported by the references cited by the Examiner, nor has the Examiner met the initial burden of establishing a prima facie case of obviousness. That is, even assuming *arguendo* that the Examiner's proposed combination of references is proper, as discussed above, the Examiner has failed to establish a prime facie case of obviousness at least for the reason that the Examiner has failed to consider all of the limitations set forth in the pending independent claims in judging the patentability of the claims against the prior art to establish that the cited references teach or suggest all of the claim limitations of the present application.

At least for these reasons, Applicants traverse the Examiner's rejections and submit that the pending claims are allowable.

In view of the foregoing, Applicants respectfully submit that all pending claims are allowable, and request the Examiner's early examination of the pending claims in the present application. In the event that the Examiner deems a telephonic or in person discussion would be helpful in advancing the prosecution of the present application, Applicants respectfully request the Examiner to contact Applicants' representative at (510) 652-6418, x82.

Respectfully submitted,
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